

By the Committee on Finance and Taxation

314-349B-04

1 A bill to be entitled
2 An act relating to the reduction in property
3 assessment for living quarters of parents or
4 grandparents; amending s. 193.703, F.S.;
5 authorizing a board of county commissioners to
6 adopt an ordinance to provide for such
7 reductions; requiring that a copy of the
8 ordinance be delivered to the property
9 appraiser by a specified date; requiring that a
10 copy of the ordinance be delivered by a
11 specified date to all other taxing authorities
12 levying taxes on property in the county;
13 defining the term "qualified parent or
14 grandparent"; providing that the property
15 appraiser shall rely on a sworn affidavit by
16 the property owner that eligibility
17 requirements have been met; providing that the
18 assessment limitation provided for homestead
19 property continues to benefit the portion of
20 the property where a parent or grandparent
21 resides; providing that such a reduction in
22 assessment applies only while specified
23 conditions are met; authorizing the Department
24 of Revenue to provide an application form;
25 providing requirements for the contents of the
26 application form; requiring that the property
27 owner reapply periodically for the reduction in
28 assessment; providing for penalties and
29 interest if an owner who was not entitled to
30 the reduction receives it; waiving penalties
31

1 and interest in specified circumstances;
2 providing an effective date.

3
4 Be It Enacted by the Legislature of the State of Florida:

5
6 Section 1. Section 193.703, Florida Statutes, is
7 amended to read:

8 193.703 Reduction in assessment for living quarters of
9 parents or grandparents.--

10 (1)(a) In accordance with s. 4(e), Art. VII of the
11 State Constitution, the board of county commissioners of any a
12 county may adopt an ordinance to provide for a reduction in
13 the assessed value of homestead property equal to any increase
14 in assessed value of the property which results from the
15 construction or reconstruction of the property for the purpose
16 of providing living quarters for one or more natural or
17 adoptive parents or grandparents of the owner of the property
18 or of the owner's spouse if at least one of the parents or
19 grandparents for whom the living quarters are provided is at
20 least 62 years of age. The board of county commissioners shall
21 deliver a copy of any ordinance adopted under this section to
22 the property appraiser by December 1 of the year before the
23 year the reduction first takes effect. If the ordinance is
24 repealed, the board of county commissioners shall notify the
25 property appraiser by December 1 of the year before the year
26 the reduction expires.

27 (b) The reduction in assessed value which results from
28 an ordinance adopted under this section applies to the
29 property tax levies of all taxing authorities levying taxes in
30 the county. The ordinance adopting such a reduction must be
31 adopted in accordance with the procedures specified in chapter

1 125 for the adoption of a nonemergency ordinance by a board of
2 county commissioners. At least 30 days before the meeting at
3 which the ordinance is adopted, a copy of the ordinance,
4 together with notification of the time and place at which the
5 public meeting to adopt the ordinance is to be held, must be
6 delivered to all other taxing authorities levying taxes on
7 property located in the county.

8 (2) A reduction may be granted under subsection (1)
9 only to the owner of homestead property where the construction
10 or reconstruction is consistent with local land development
11 regulations.

12 (3) A reduction in assessment which is granted under
13 this section applies only to construction or reconstruction
14 that occurred after January 7, 2003,~~the effective date of~~
15 ~~this section~~ to an existing homestead and applies only during
16 taxable years during which at least one such parent or
17 grandparent maintains his or her primary place of residence in
18 such living quarters within the homestead property of the
19 owner.

20 (4) As used in this section, the term "qualified
21 parent or grandparent" means a parent or grandparent who is
22 permanently residing in the living quarters constructed or
23 reconstructed on property qualifying for a reduction in
24 assessment under this section. Such a parent or grandparent
25 must be the natural or adoptive parent or grandparent of the
26 owner of the homestead property on which the construction or
27 reconstruction occurred or must be the natural or adoptive
28 parent or grandparent of the owner's spouse. Permanent
29 residency of the parent or grandparent has the same meaning as
30 for qualifying for the homestead exemption under s. 196.031.
31 An individual does not meet the permanent residency

1 requirement to be a qualified parent or grandparent under this
2 section if he or she qualifies for a homestead exemption on
3 any other property, whether in this state or in another state.
4 At least one qualifying parent or grandparent must be at least
5 62 years of age. In determining that the parent or grandparent
6 is the natural or adoptive parent or grandparent of the owner
7 or of the owner's spouse and that the age requirement is met,
8 the property appraiser shall rely on a sworn affidavit by the
9 property owner and other information that the property
10 appraiser considers relevant.

11 (5)(4) Such a reduction in assessment may be granted
12 only upon an application filed annually with the county
13 property appraiser. The application must be made before March
14 1 of the year for which the reduction is to be granted. If the
15 property appraiser is satisfied that the property is entitled
16 to a reduction in assessment under this section, the property
17 appraiser shall approve the application, and the just value of
18 such newly constructed residential improvements shall be
19 excluded from the assessed value of the property for purposes
20 of ad valorem taxation. The value excluded may not exceed the
21 lesser of the following:

22 (a) The increase in assessed value resulting from
23 construction or reconstruction of the property; or

24 (b) Twenty percent of the total assessed value of the
25 property as improved.

26 (6) The construction or reconstruction of living
27 quarters for a parent or grandparent is subject to the
28 assessment limitation under s. 193.155, and the assessment
29 limitation shall continue to benefit that portion of the
30 property while a qualified parent or grandparent permanently
31 resides on the property.

1 (7) The assessment reduction provided under this
2 section applies only while a qualified parent or grandparent
3 permanently resides on the property and all other requirements
4 of this section are met. The provisions of s. 196.011(1), (5),
5 (6), (7), and (8) which govern applications for exemption
6 apply to the granting of an assessment reduction under this
7 section. The application form prescribed by the department
8 must include the names, ages, and signatures of the qualifying
9 parents or grandparents, a statement of the natural or
10 adoptive relationship to the property owner or the property
11 owner's spouse, a description of the construction or
12 reconstruction that qualifies as providing living quarters
13 under this section, and other information that the department
14 considers necessary for the effective administration of the
15 assessment reduction. An application for the assessment
16 reduction must also include the social security numbers of the
17 parents or grandparents for whom the living quarters were
18 constructed or reconstructed, and these social security
19 numbers must be submitted to the department. The property
20 owner must reapply annually for this assessment reduction.

21 (8) Upon a determination by the property appraiser
22 that, for any year or years within the previous 10 years, an
23 owner who was not entitled to a reduction in assessment under
24 this section was granted a reduction, the property appraiser
25 who makes that determination shall serve upon the owner a
26 notice of intent to record in the public records of the county
27 a notice of tax lien against the property, and the property
28 shall be subject to the payment of all taxes not paid as a
29 result of a reduction under this section, plus a penalty of 50
30 percent of the unpaid taxes for each year and 15 percent
31 interest per annum. However, if a reduction in assessment is

1 improperly granted as a result of a clerical mistake or an
2 omission by the property appraiser, the person who improperly
3 received the reduction shall not be assessed any penalty or
4 interest. Before any such lien may be filed, the owner must be
5 given 30 days to pay the taxes, penalties, and interest. Such
6 a lien is subject to the procedures set forth in s.
7 196.161(3).

8 ~~(5) If the owner of homestead property for which such~~
9 ~~a reduction in assessed value has been granted is found to~~
10 ~~have made any willfully false statement in the application for~~
11 ~~the reduction, the reduction shall be revoked, the owner is~~
12 ~~subject to a civil penalty of not more than \$1,000, and the~~
13 ~~owner shall be disqualified from receiving any such reduction~~
14 ~~for a period of 5 years.~~

15 (9)~~(6)~~ When the property owner no longer qualifies for
16 the reduction in assessed value for living quarters of parents
17 or grandparents, the previously excluded just value of such
18 improvements as of the first January 1 after the improvements
19 were substantially completed shall be added back to the
20 assessed value of the property.

21 Section 2. This act shall take effect upon becoming a
22 law.

SENATE SUMMARY

Authorizes a board of county commissioners to adopt an ordinance to provide for a reduction in assessment of real property for living quarters of qualified parents or grandparents of the owner or the owner's spouse. Requires that a copy of the ordinance be delivered to the property appraiser by December 1 of the year before the year the reduction will first take effect. Requires that a copy of the ordinance be delivered, at least 30 days before the adoption of the ordinance, to all other taxing authorities that levy taxes on property located within the county. Defines the term "qualified parent or grandparent" as one who permanently resides in the living quarters and is ineligible for a homestead exemption on any other property. Provides that the property appraiser shall rely on a sworn affidavit by the property owner that age and relationship requirements have been met. Provides that the assessment limitation applicable to homestead property continues to benefit the portion of the property where a parent or grandparent resides. Provides that the reduction in assessment applies only while a qualified parent or grandparent permanently resides on the property. Authorizes the Department of Revenue to provide an application form. Provides that applications must include the social security numbers of the parents or grandparents for whom the living quarters were constructed or reconstructed. Requires that the property owner reapply annually for the reduction. Provides for the assessment of penalties and interest if an owner who was not entitled to such a reduction receives it. Waives penalties and interest if the reduction was improperly granted as a result of a clerical mistake or omission by the property appraiser.